

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6145**

**BILL NUMBER:** SB 27

**NOTE PREPARED:** Nov 18, 2012

**BILL AMENDED:**

**SUBJECT:** Motor Vehicle Wholesalers.

**FIRST AUTHOR:** Sen. Randolph

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides that the Secretary of State may not require by rule a wholesale dealer to sell a minimum number of vehicles per year. The bill voids existing rules.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** Currently, Indiana Administrative Code [75 IAC 2-2-10(d)(6)] requires wholesale dealers to sell a minimum of 120 vehicles per year. The bill would void this rule.

By reducing the minimum number of vehicles a wholesale dealer is required to sell per year, this bill may increase the number of wholesale dealers in the state. If this bill increases the number of wholesale dealers in the state, the workload of the Secretary of State is expected to increase to process additional applications for wholesale dealer licenses. Increases in workload are expected to be offset by increases in licensing revenue collected from license applications.

**Explanation of State Revenues:** Currently, wholesale dealers pay a \$20 annual licensing fee. This revenue is deposited first in the Dealer Compliance Account and then redistributed to the Motor Vehicle Highway Account (40% of collected revenue), the Indiana State Police (20% of collected revenue), the Attorney General (10% of collected revenue), and 30% of the collected revenue is retained by the Secretary of State.

If this bill increases the number of wholesale dealers in the state, revenue from licensing fees will increase as well. As a result, revenue to the Dealer Compliance Account and its distribution recipients will increase. Actual increases in revenue are indeterminable.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Secretary of State, Indiana State Police, Attorney General.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Bill Brumbach, 232-9559.